



**HOUSING AND COMMUNITY DEVELOPMENT
CORPORATION OF HAWAII**

NEWS RELEASE

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**HCDCH AND WAIAHOLE VALLEY RESIDENTS REACH AGREEMENT TO
ALLOW RESIDENTS TO PURCHASE LEASE**

HONOLULU – Waiahole Valley residents now have an opportunity to get financing to build their homes or to make repairs to existing homes.

The Housing and Community Development Corporation of Hawaii (HCDCH) Board of Directors unanimously approved the sale of leasehold-interest for the land in the Waiahole Valley Agricultural Park and Residential Subdivision. Working with the Waiahole-Waikane Community Association and the Self-Help Housing Corporation of Hawaii, the state has come up with an affordable way for the Waiahole Valley residents to purchase their lease. The leasehold-interest to the property will be used to finance mortgage loans.

“This is a win-win situation for all parties involved,” said Stephanie Aveiro, executive director of HCDCH. “We all have the same goal of providing an affordable way for residents to build their homes.”

To keep the lease premium affordable, the lessees will pay a minimum five percent of the leasehold value based on fair market value by appraisal; the remaining 95 percent owed to HCDCH would be via a 45 percent Deferred Sales Price Program, and a 50 percent Shared Appreciation of Equity Program. This way, HCDCH subsidizes the initial sale and shares in any appreciation when the property is sold.

“HCDCH’s concept of five percent of the market value is a very good compromise,” said David Chinen, president of the Waiahole-Waikane Community Association. “The key is affordability and the people of the valley can now afford to build a house. I’m very pleased.”

“I sincerely appreciate the time and effort extended by HCDCH in offering an affordable leasehold premium to the Waiahole-Waikane lessees,” said Claudia Shay, Executive Director of the Self-Help Housing Corporation of Hawaii. “SHHCH staff will now be diligent in packaging the loans to prepare for the residential construction.”

HCDCH administers 92 long-term leases in Waiahole Valley: 54 residential; 36 agriculture; and 2 commercial.

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